

RESOLUTION NO. 2007-55

A RESOLUTION OF THE LODI CITY COUNCIL  
AUTHORIZING THE CITY MANAGER TO ENTER  
INTO REIMBURSEMENT AGREEMENTS ON BEHALF  
OF THE CITY OF LODI

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WHEREAS, at its meeting held May 3, 2006, the Lodi City Council adopted Resolution No. 2006-78, establishing the policy that developers should pay the full cost of in-house and outside engineering and planning services incurred in the processing of development applications and implementation of approved developments; and

WHEREAS, in furtherance of that policy, staff has, for more intensive developments that require a commitment of time and expenses beyond that recovered through standard fees, brought forth reimbursement agreements for Council approval; and

WHEREAS, staff anticipates the need for such reimbursement agreements on a more frequent basis as it captures more of the costs associated with processing applications; and

WHEREAS, accordingly, much as is the case with improvement agreements, staff recommends that Council authorize the City Manager to enter into a template form of reimbursement agreement with certain minimum terms and authorize the City Manager to set others within his or her discretion; and

WHEREAS, the basic terms of an agreement would be to reimburse for all in-house and outside staff costs, a deposit with an evergreen account to bill those costs against, and an acknowledgement that the agreement grants no guarantees regarding project approval. The amount of the deposit and evergreen amount would be subject to the City Manager's discretion based on the expected cost of the services; and

WHEREAS, staff requests that Council authorize the City Manager to enter into reimbursement agreements with the following minimum terms:

- 1.) Developer will reimburse City for all in-house staff time, contract services, and purchased supplies and equipment necessary to perform the engineering, legal, environmental, and planning services necessary for developer's project.
- 2.) Developer shall deposit an amount to be determined by the City Manager equating to staff's estimate of the above costs prior to staff beginning work on developer's project. In the event costs exceed the estimate, developer will reimburse the City for the overage. The deposit will be required to be kept evergreen; meaning once the deposit falls below a set amount, the developer must replenish the deposit. If the developer fails to do so, City may cease work.
- 3.) Developer must acknowledge that the agreement grants them no right or expectation for project approval and no right to control in-house staff or demand that the project be processed on a particular time schedule.

- 4.) Developer must agree that it will not be entitled to damages for a delay in the schedule.
- 5.) Developer will agree to indemnify, defend, and hold harmless the City of Lodi in any litigation arising out of or related to the project, including environmental claims, personal injury, inverse condemnation claims, and claims related to the Lodi Electric Utility taking over territory previously in the service area of another Electric Utility.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to enter into reimbursement agreements with the minimum terms as outlined above.

Dated: April 4, 2007

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I hereby certify that Resolution No. 2007-55 was passed and adopted by the City Council of the City of Lodi in a regular meeting held April 4, 2007, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Katzakian, Mounce,  
and Mayor Johnson

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None

  
RANDI JOHL  
City Clerk